



U.S. Department of Justice

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News Release

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Aubrey Strickstein, age 46, of Scottsdale, Arizona, was sentenced today by the Honorable Leonie M. Brinkema to a 12 month period of incarceration in connection with his conviction in November 2005 on fraud charges involving AOL, in Dulles, Virginia. Strickstein served as a consultant on human resources projects performed at AOL in 2003.

Gregory Horton, who served as AOL's chief personnel officer, hired Strickstein's company, Pinebrook Consulting, to perform the services. Prior to coming to AOL, Horton served as a human resources executive at AutoNation, in Ft. Lauderdale, Florida, from 2000-2001, and later at Qwest Communications in Denver, Colorado, in 2002. In January 2005 Horton pleaded guilty to wire fraud and admitted that he had engineered a kickback scheme at all three companies involving outside consultants paid to perform human resources tasks. In April 2005 former AutoNation executive, Ruben Moreno, Jr., pleaded guilty to conspiracy for his role in the kickback scheme. Horton was ordered to serve a 24 month sentence; Moreno was ordered to serve eight months home confinement; both were ordered to pay AutoNation approximately \$1.8 million in restitution.

In August 2005 Strickstein was charged with conspiring with Horton and Moreno to defraud all three companies by arranging to have each of them either overpay Strickstein on particular projects or, in the case of AOL, pay him for non-existent work. In return for substantial business, Strickstein paid \$400,000 to companies controlled by Horton.

After a one week trial in November, the jury convicted Strickstein on three fraud counts, all of which involved a single \$100,000 payment AOL made to his company for non-existent work. The jury, however, acquitted Strickstein on the broader conspiracy count.

The case was investigated by the FBI and prosecuted by Assistant United States Attorneys Stephen P. Learned and Edmund P. Power.

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